

The Indiana Finance Authority (IFA) Environmental Programs, which consist of the State Revolving Fund (SRF) Loan Program and the Indiana Brownfields Program, work in partnership with the U.S. Environmental Protection Agency (U.S. EPA) to offer financial assistance to eligible borrowers for activities that protect both public health and the environment and may facilitate economic redevelopment. In some cases, SRF funding is available to fund brownfield cleanup activities that abate or prevent Nonpoint Source (NPS) pollution of Indiana's waters as a nonpoint source water pollution control project under the Section 319 of the Clean Water Act. If available, this funding can be a valuable financial resource for a community when conventional brownfield funding alone cannot completely fund site cleanup.

What is Nonpoint Source (NPS) water pollution?

Nonpoint source water pollution results when rainfall, snowmelt or irrigation moves over land or through the ground, picks up pollutants, and deposits them into surface waters or introduces them into groundwater. NPS water pollution may cause adverse changes to vegetation, hydrology or aquatic communities. It can contaminate private and public water wells.

What are brownfields?

- Brownfields are parcels of real estate that are abandoned, inactive, or may not be operated at their appropriate use, and redevelopment is complicated due to actual or potential contamination that poses a risk to human health and the environment. Brownfields can range in size from large factories to small gas stations.
- Brownfield contamination may be considered a nonpoint source of surface or groundwater pollution.

What type of assistance is available from the Wastewater SRF Loan Program?

- Low-interest loans to political subdivisions (including incorporated cities, towns, counties and regional water, sewer, waste, sanitary and conservancy districts) for projects that improve wastewater and drinking water infrastructure and/or address NPS contamination. A wastewater loan can be obtained solely for a NPS project.
- Low-interest loans to private (for profit) and nonprofit entities for projects that include a brownfield component.
- Integrating a brownfield project with a wastewater infrastructure project lowers the interest rate for a loan by up to 0.5 percent, making available additional funds that can be applied to qualified NPS activities.
- Drinking water loans cannot fund NPS projects.

What are the SRF loan terms?

- An SRF loan is a fixed rate, 20-year term loan.
- Interest rates reset quarterly and are at or below 90% of the average 20-year AAA-rated, general obligation bond Municipal Market Data. Rates can be further discounted based on the applicant's median household income (from current census data) and local user rates.

What types of brownfield projects are eligible for SRF NPS funding?

- Brownfields that are publicly or privately owned with a public or private use.
- Brownfields with an existing, quantified pollution abatement need.
- Brownfields that have a direct water quality benefit.
- Portions of a brownfield that remediate, mitigate the impacts of, or prevent water pollution.
- Brownfield clean-up sites contaminated with hazardous substances and/or petroleum contamination that impact surface or ground water quality, such as:
 - ❖ Excavation, removal and disposal of soil or sediments
 - ❖ Excavation and disposal of underground storage tanks
 - ❖ Capping of wells or soil or landfills
 - ❖ Monitoring of groundwater or surface water for contaminants
 - ❖ Groundwater remediation
 - ❖ Demolition, if necessary to get to contaminant source
 - ❖ Water quality-related landfill closure activities at non-discharging municipal landfills without leachate collection systems (public and privately owned landfills)
 - ❖ Remediation Work Plan development

What are some NPS project funding limitations?

- Projects that do not address a known water quality impact to surface or groundwater.
- Projects/activities tied to a draft or final National Pollution Discharge Elimination System (NPDES) permit.
- Groundwater monitoring activities more than three years into remedy implementation.
- Phase I environmental site assessments.
- Phase II environmental site assessments (unless limited investigation to complete delineation prior to Remediation Work Plan development or confirmation sampling as a part of cleanup activities).

What threshold criteria must be satisfied to seek funding for an NPS project?

- Demonstrated surface and/or groundwater impacts with data from a completed Phase II environmental site assessment.
- An open SRF loan, new loan application or a SRF project in review.
- A draft or final Remediation Work Plan (as a substitute for the SRF-required Preliminary Engineering Report).
- An applicant seeking NPS project funding for a brownfield will also need to submit an Indiana Brownfields Program Revolving Loan Fund (RLF) Incentive loan application and supporting documentation.

Where can a community get more information about SRF loans and request funding for NPS projects?

For more information about the SRF borrowing process (applications are accepted on a rolling basis), please contact Shelley Love at the SRF Loan Program at (317) 232-4396 or slove@ifa.in.gov and/or visit IFA's Web page at www.srf.in.gov. SRF loan applications are evaluated, scored, and placed on SRF's project priority list (PPL) for funding if approved.

Where can I get more information about the RLF Incentive for brownfields?

For more information about an RLF loan from the Indiana Brownfields Program or to discuss whether your brownfield project meets the criteria for SRF NPS funding (solely and/or in combination with RLF Loan Funding), please contact Michele Oertel at (317) 234-0235 or moertel@ifa.in.gov and/or visit IFA's Web page at www.brownfields.in.gov.